

WEEKLY MARKET REPORT

GLOBAL MARKET

A submissive week for the main world stock markets that found themselves increasingly squeezed between problems such as the upcoming (-10 days) presidential elections in the USA, expectations for the US economic recovery plan and the trend of COVID infections in this second wave. In the end they however defended well, as the S&P 500 was at -0.53%, CAC40 -0.53% and FTSE MIB -0.54% while DOW JONES -0.95%, NASDAQ -1.06%, DJEUROSTOXX50 -1.44% but above all the DAX30 appeared more and more negative at -2.04%. As anticipated, the topics under observation remain the 3 mentioned above, so much so that some truly positive aggregates relating to the real estate market and weekly requests for subsidies go almost unnoticed. In particular, investors are looking with some nervousness at a possible queue of disputes on the sidelines of the elections. The closing of the gap on voting intentions, in fact, is driving away the expectations of a democratic "clean sweep" and brings back the presence of a tail to poison and a delayed proclamation of the winner. The tip of the scales could turn out to be the president of the Chamber of Deputies, Nancy Pelosi, who is cleverly juggling the situation. In the middle of the week she declared that the agreement was now one step away, and then added that it must have strong support from the Chamber and the Senate; on these last words the hopes are once again feeble.

DAX

Last week the index moved to the lower part of the lateral rectangle, on which it has now been traveling for three months. The collapse of the 12300 base could be aggressive also because close to it, at exactly 12100, the moving averages of 150 and 200 periods progress. The resistances are at 12900, 13150 and the top of the rectangle is at 13350. The supports 12450 and the base of the rectangle are at 12300.



NASDAQ

After the negative close on Monday 19th, the NASDAQ index held on the average value 11680, bouncing twice on the 50 period moving average, the same is the first support of the NASDAQ at 11540 and after that the 11270. The resistances are positioned at 12000, 12120 and the absolute maximums 12439.



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EUR/USD

The pair is trading sideways for the last couple of weeks, showing that there is huge uncertainty derived by a second covid19 wave and its implication on global economy, and the US presidential elections next week.

A Biden win will likely bring a strong US stimulus program that might boost the equity markets and weaken the USD for the time being. On the other end, a Trump win is not expected to move the markets and the USD significantly.

The pair faces a resistance around 1.2, a break above this range will likely push the price up to new yearly highs.

On the flip side, a break below the 1st support around 1.175 will likely drag the price down to the 2nd support at 1.16 with a possible test on the 3th support at 1.14.


GOLD

The precious metal is trading within the \$1898 – \$1922 range with no wide movements despite the fear of a strong 2nd covid19 wave globally.

Given the close tightening between gold and the USD, gold traders are holding on more news and confirmations related to stimulus and the presidential elections to enter the market. Hence, we should see the price moving in the mentioned range bound and trendless for the week ahead.

Nevertheless, a break below the 1st support around \$1889 shall push the price down to the 2nd support around \$1760. However, the likelihood of this scenario is very weak.

In the long run, we keep our outlook for an appreciation in price aiming towards new highs within 2020.



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TOP GAINERS			S&P500			TOP LOSERS		
NAME	LATEST PRICE	+/- %	NAME	LATEST PRICE	+/- %			
Flowserve	31.75	3.93%	Intel	48.2	-10.58%			
Norwegian Cruise Line	18.35	3.61%	Robert Half	51.67	-8.26%			
Align Technology	469.56	3.60%	TechnipFMC	6.47	-5.69%			
DR Horton	73.06	3.50%	American Airlines	12.6	-4.18%			

Directional views

Tactical view for week

EQUITIES



BONDS



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